

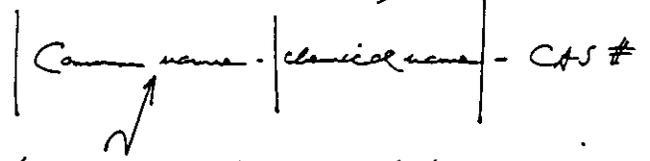
Committee of Counsel
Office of T.I. Wash DC
Wed 11.13.85

Holtzman
Newman
Brung
Tambor
Witt
Wong
T.S.
Paul Rando
Cassman
Pappas
Sachs
Kendrick Wells
Scribner
Hull
Napp
Fleming

Committee of Counsel
11.13.85

Report by Walter Boing of A, S, P - re: Status of efforts by National Literary Council.
Report as to status of Colchester in Calif which is sched. to begin on Thurs. 11.14.85

1) Trademark: Report by Tanco. Disclosure of list anticipated for March-April, 1986. Companies should focus on what will be said, if anything. (list due: 120 days after publication in the Federal Register by HHS - which is anticipated this week - i.e. 11.13, 14 or 15.85). HHS first wanted



HHS now has agreed to drop this demand. Tanco got the 60 days up to 120 days.

2) Self-Extinguishing (Fire Safety Technical Study Group). Group already has studied existing commercially available brands - & has concluded no material/significant differences in ignition potential of different commercially available brands exists. A very good result for industry.

Supp. thinks that action at State level unlikely in view of the in-progress Federal Study.

3) Federal Legislation (Koussay & basis of TI report).

- a) Reconciliation Bill & continuation of 16% excise tax. The Reconciliation Bill includes the Helms-John tobacco farm program bill. Action necessary for enactment unlikely to be completed before Thanksgiving season.

H/R 3722: On 11.13.85, House passed bill to extend for another 36 days the 16% tax rate. ... 16% would hold thru Fri, 12.13.85, in all likelihood, assuming Senate acts today or tomorrow in similar fashion.

- b) Domestic Farm Bill - raised by House, since it incorporated the C&E pesticide bill, with the language amended to apply same to domestic to extent domestic tobacco has any "residue" of such pesticide products.
[See hand-out.]

- c) S. 1440: Bill to restrict sale of tobacco products in Federal Commodity areas - then requiring such to be sold at prevailing prices at commercial level. [See hand-out on vote.]

d) Enrolment: Several weeks ago, Waxman bill voted out of Committee. Objections provisions: "addiction"; Cella + arrest; ingredients to be disclosed; right delegated to FTC to change name; then all advertising; no attribution to SG; no reporting. This is on the House side - very onerous to industry.

On Senate side: see language of S. 1574. Much better than the House bill. Sen. Hatch, it is our understanding, will accept them at the mark-up scheduled for next week.

e) Product liability: Davis understands Doughty is going to introduce a new draft bill.

4) State actions (Rupp reports)
Cigarette litigation bills - Wisconsin + Indiana. These efforts legislatively created presumption of causation if one smoked above certain level quantitatively & contracted one of certain diseases. These initiatives have been blocked this year, but will probably surface again w/i the near future.

Litigation at State level attacking smoking restriction legislation & ordinances. T.I. think C & B, has been giving limited help & courtesy & furnishing certain materials - all on an ad hoc basis.

State Legislation re: 1) Sampling
2) Public Smoking Restrictions

Tamko reports. Q: Should TI develop "model" Sampling Bill to hand up to a state as an alternative to more onerous state legislative effort? State statutes (Comm. reviewing situation at the present.

5) ETS Study Group

Don Hoel of S, B reports. Hoel has a new proposal (see hand-out). Hoel discussed ETS study to be fast done as a CTR Spice Project (Will not participating,

Newsman of PH reports on developing Texas litigation.

Myer reports on ETC suggestions that T & N testing be shifted from ETC to some other party. Under voluntary agreement, ETC has the obligation to do the testing. All companies oppose any move of the testing from ETC.

Meeting concludes 1⁰⁰ pm 11.17.85
